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Remarks:

[illegible]

Attached for your information is a copy of a memorandum from [illegible] concerning an interview with the committee for [illegible] on 20 March 1961.

cc: Mr. [illegible]

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FROM: NAME, ADDRESS AND PHONE NO.	DATE
S. [illegible], [illegible], [illegible]	4/5/61

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FORM NO. 237 Replaces Form 30-4 which may be used.
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U.S. GOVERNMENT PRINTING OFFICE 1955—O 34-2531

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Chief, Contact Division
Attn: Support Branch (Crowley)

24 March 1961

Chief, Washington Office

Interview with AREC Committee

1. At the request of Mr. Ashcraft for Reichart, WH Division, Frank Sheridan interviewed the committee for AREC at the Washington Field Office on 24 March 1961. They consisted of Abel Mestre, Victor Pedroso, Silvio Sanabria, Leslie Pantin, Carlos Garcia del Tren, and Paul Neilsen. Mestre stated that the organization was founded about June 1960 in Miami as a clandestine apolitical group with the objective to overthrow Castro, to unite the various Cuban exile groups and to create laws for the effective reconstruction of Cuba. Membership is comprised of individual businessmen rather than representatives of large organizations.

2. The committee had been meeting with various United States officials in Washington, D. C., to express its views. Its members are worried over Castro propaganda, which, although untrue, has been accepted as fact, i.e., twenty thousand killings by Batista and the claim that Castro's was a social revolution rather than a political one. They pointed out that the Cuban economy was formerly prospering with an enlarging middle class, so that the term social revolution has been used by Castro primarily to promote Leftist measures. In addition, labor legislation was in effect which actually put employers at a disadvantage with employees, compared to the other countries of Latin America. The problem facing Cuban labor was primarily the seasonal one crop economy. Now the people have less pay, less commodities available, no claims against anyone and merely work for a Castro-Communist government. The farmer has not been helped by agrarian reform, but has been obliged to enter cooperatives or to sell his crops at controlled prices, which are paid when and how the government pleases. This is merely an imitation of what Castro promised.

3. The committee feels that supporters of the revolution actually were seeking honesty in government and the liberty outlined in the 1940 constitution. In this regard, the members feel that the Communists may try for a second round in any government replacing Castro. Such an interim regime must develop careful measures to promote true democratic elections. This government may include covert Communists who would be a constant threat. For this reason, it was emphasized and re-emphasized that the exile leaders be most carefully screened by the United States before their return to Cuba.

4. A major concern has been unification of the various exiled factions. This has now started, but the committee feels that businessmen such as they represent should be proportionately represented in any new government during the austere period of reconstruction. They believe that no leftists of any shade should be included in the provisional government. Business representatives of the economic classes should participate for the first time in Cuban politics and should be consulted at all stages.

5. They emphasized that the problem is not merely a Cuban one, but is a Communist springboard against the United States. They urged that the United States do what they, the businessmen, failed to do in Cuba - to take the offensive. Developments in Cuba have followed the classic Communist techniques, so that it should not be difficult to anticipate future moves. United States propaganda must be overhauled. It should be less passive and more effectively aggressive. To date, propaganda has been the Communists' most effective weapon and the United States has lost to the point that it is threatened by a serious loss of respect in Latin America. Although it has long been the basic ideal model, some Latins are beginning to wonder whether they are right about the United States and whether they should switch sides. Fidel Castro won his revolution by propaganda and not by arms.

6. The primary worry of the committee seems to be the leftist orientation of leaders who have taken over the government in exile during recent days. They emphasized that Cuba needs a democratic government and they fear a tyranny of the right or the left. The United States must realize that some of the exile leaders participated as ministers in the Castro government and might try to continue some of the bad aspects of the Castro program.

7. Silvio Sarabria commented that, although CIA appeared to be in touch with all of the other Cuban groups, no one had approached his organization to assist or to learn what it was doing. The whole committee offered to be of any possible assistance to CIA at any time. No effort was made to solicit information or funds from CIA during this session.

F. J. Sheridan

Enclosures: 3 AFEC documents

W-14279

Association for the Reconstruction of the Cuban Economy (ARCE)

ASSOCIATION FOR THE RECONSTRUCTION OF THE CUBAN ECONOMY

ARCE

[illegible]

1200 Washington National Building, [illegible]

[illegible] January 5, 1961 [illegible]